IN THE SPECIFICATION

Please add the following as the first paragraph on page 1 of the specification:

--This application is a continuation of 09/870,327, filed May 30, 2001, now pending, which application is hereby incorporated by reference.--

Please amend the first full paragraph on page 19 as follows:

--This permits compensating for the phase shifts due to the pretilt angle on the ~~entry~~ exit side (or the ~~exit~~ entry side) independently of the phase shifts due to the pretilt angle on the ~~exit~~ entry side (or the ~~entry~~ exit side).--

Please amend the first full paragraph on page 29 as follows:

--As compared to the light La, the light Lb is light exiting at an angle β to the right in the plane parallel to the polarization axis 47a. In other words, the light Lb is resulting light after p-polarized light exits from the liquid crystal panel 42 after entering into the liquid crystal panel 42 at an angle from the right in the z-y plane. ~~The direction of the polarization axis 47a matches the rubbing direction 46a of the alignment layer of the substrate 46 on the exit side of the liquid crystal panel 42, as shown in FIG. 8.~~ When the light Lb passes through the liquid crystal molecules, phase shifts between extraordinary light and ordinary light are caused in the x-y plane and the z-y plane by the pretilt angle on the ~~exit~~ entry side (i.e., a tilt angle of the liquid crystal molecule 48 to the rubbing direction ~~46a~~ 43a of the alignment layer of the substrate ~~46~~ 43), thereby changing the locus of a resultant electric field vector of the light Lb and therefore changing the light Lb into elliptically polarized light.--

Please amend the paragraph bridging pages 29 and 30 as follows:

--The light Lc is light exiting at the angle β to the left in the plane parallel to the polarization axis 47a. In other words, the light Lc is resulting light after p-polarized light exits from the liquid crystal panel 42 after entering into the liquid crystal panel 42 at an angle from the left in the z-y plane. When the light Lc passes through the liquid crystal molecules, phase shifts between extraordinary light and ordinary light (i.e., phase shifts opposite in direction to the phase shifts of the light Lb) are caused in the x-y plane and the z-y plane by the pretilt angle on the ~~exit~~ entry side, thereby changing the locus of a resultant electric field vector of the light Lc and therefore changing the light Lc into elliptically polarized light (i.e., elliptically polarized light opposite in direction to the elliptically polarized light which the light Lb changes into).--

Please amend the second full paragraph on page 31 as follows:

--As described above, the light Lb and the light Lc are phase shifted in opposite directions in the x-y plane and z-y plane, when passing through the phase difference film 5. The phase shifts, which are produced when the light Lb and the light Lc pass through the phase difference film 5, can therefore compensate for the phase shifts of the light Lb and the light Lc in the x-y plane and the z-y plane due to the pretilt angle on the ~~exit~~ entry side, which are produced when the light Lb and the light Lc pass through the liquid crystal molecules of the liquid crystal panel 42, (that is, the phase shifts can be reduced).--

Please amend the paragraph bridging pages 31 and 32 as follows:

--The magnitude of retardation of the phase difference film 5 in the x-y plane and the z-y plane changes according to the angle α of inclination of the phase difference film 5. That is, the degree of compensation for the phase shifts due to the pretilt angle on the ~~exit~~ entry side changes according to the angle α of inclination.--

Please amend the second full paragraph on page 33 as follows:

--Even when the phase difference film 5 is located between the liquid crystal panel 42 and the polarizer 47 at the angle α of inclination determined in this manner, the phase shifts due to the pretilt angle on the ~~exit~~ entry side are compensated for, so that deterioration in contrast and uniformity due to the properties of dependence on viewing angles is prevented.--

Please amend the first full paragraph on page 41 as follows:

--The light corresponds to resulting light in FIG. 8 after p-polarized light exits from the liquid crystal panel 42 after entering into the liquid crystal panel 42 through a plane (the z-x plane) perpendicular to the panel surface of the liquid crystal panel 42 and parallel to a polarization axis 41a of the polarizer 41. ~~The direction of the polarization axis 41a matches the rubbing direction 43a of the alignment layer on the substrate 43 on the entry side of the liquid crystal panel 42.~~ In the case of light entering obliquely into the liquid crystal panel 42, when the light passes through the liquid crystal molecules, phase shifts between extraordinary light and

ordinary light are caused in the x-y plane and the z-x plane by the pretilt angle on the ~~entry~~ exit side (i.e., a tilt angle of the liquid crystal molecule 48 to the rubbing direction ~~43a~~ 46a), thereby changing the locus of a resultant electric field vector of the light and therefore changing the light into elliptically polarized light.--

Please amend the first full paragraph on page 74 as follows:

--FIG. 25 shows various types of axial directions of the optical elements of the liquid crystal panel portion 224. As shown in FIG. 25, the entry-side polarizer 231 and the exit-side polarizer 235 are located so that the axes of light transmission P1 and P2 thereof cross at right angles, that is, the so-called crossed Nicols holds. The axis of transmission P1 of the entry-side polarizer 231 is set so that the direction thereof is the same as the rubbing direction R1 of the alignment layer 248 (see FIG. 22) of the liquid crystal panel 232. The axis of transmission P2 of the exit-side polarizer 235 is set so that the direction thereof is the same as the rubbing direction R2 of the alignment layer 249 (see FIG. 22) of the liquid crystal panel 232. That is, a mode of displaying an image in the liquid crystal panel portion 224 is the so-called normally white mode. The optical compensator 233 is located so that the direction of an optic axis P3 of the molecule (for exit side) present close to the light entry surface (i.e., the molecule 233a in FIG. 26) is substantially the same as the rubbing direction R2 of the alignment layer 249. The optical compensator 234 is located so that the direction of an optic axis P4 of the molecule (for entry side) present close to the light exit surface (i.e., the molecule 234c in FIG. 26) is substantially the same as the rubbing direction R1 of the alignment layer 248.